

**Guam Medicare Prescription Drug Discount Card
and Transitional Assistance Program
Frequently Asked Questions**

Provided by the Office of Congresswoman Madeleine Z. Bordallo
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Overview

On December 8, 2003, the Medicare Prescription Drug Discount Card and Transitional Assistance Program became law. These temporary prescription drug assistance programs were created as a means of providing prescription drug cost relief for Medicare beneficiaries until the full national Medicare Prescription Drug Plan begins on January 1, 2006.

There are two important new programs created by this law that will provide immediate assistance to Medicare-eligible citizens of Guam: (1) Medicare-approved prescription drug discount cards; and (2) the Medicare transitional assistance program. The following Question and Answer section is meant to assist you in understanding your new benefits:

Medicare-approved Prescription Drug Discount Cards

Question #1: Am I eligible for Medicare-approved prescription drug discount cards?

If you are enrolled in Medicare Part A and/or B, you are eligible to purchase Medicare-approved prescription drug discount cards beginning in May 2004. If you are enrolled in Medicare Part C, or Medicare Advantage (formerly Medicare + Choice), you will be able to purchase Medicare-approved cards only if your current provider does not already offer discount drug cards. You should be able to begin using your card to receive discounts on June 1, 2004.

Question #2: Which Medicare-approved prescription drug card should I purchase?

It is up to you to choose which card best meets your specific needs. Since each card sponsor will negotiate its own deals with drug manufacturers, different cards will offer different levels of discount. It is expected that prescription drug savings, in general, could be as large as 15-25%, though savings will depend upon the sponsor and the particular prescription drug. It is expected that card sponsors will negotiate favorable discounts for their customers, however, there are no specific required savings levels.

Question #3: How do I purchase a Medicare-approved prescription drug card?

You must contact the individual card sponsors to enroll in their plans. You can contact the sponsors directly, visit the Medicare Website www.medicare.gov or call the Centers for Medicare and Medicaid Services at 1-800-MEDICARE.

Below are the sponsors and cards currently available in Guam and the associated enrollment fees, as of April 28, 2004 (The maximum enrollment fee allowed is \$30):

SPONSOR	CARD	FEE
AdvancePCS Health, L.P.	RxSavings distributed by Reader's Digest	\$29.95
AdvancePCS Health, L.P.	RxSavings distributed by MCS Life Insurance Co.	\$29.95
AdvancePCS Health, L.P.	RxSavings	\$29.95
WHP Health Initiatives, Inc.	Walgreens Health Initiatives Prescription Discount Card	\$20.00

NOTE: Additional sponsors may be added over time as the Centers for Medicare and Medicaid Services approves additional cards.

Question #4: Can I have more than one Medicare-approved prescription drug discount card?

You are only allowed to have one Medicare-approved prescription drug discount card at a time.

Question #5: Can I switch my Medicare-approved prescription drug card for another?

Yes, but you may only switch cards once, and it must be between November 15 and December 31, 2004.

Question #6: Which pharmacies can will accept my Medicare-approved prescription drug card?

Sponsors of Medicare prescription drug discount cards are required to ensure access for their consumers to a minimum number of pharmacies in a particular area covered by their plan. You should contact your local pharmacy to learn which drug cards it accepts.

Question #7: Will my Medicare-approved prescription drug card pay for any portion of my prescription drug purchases?

The cards themselves do not provide subsidies. They simply provide discounts on prescription drugs based on negotiations between card sponsors and drug manufacturing companies. You will be responsible for the cost of the prescription drugs after discounts are applied.

Question #8: Can I own other drug discount cards at the same time as owning a Medicare-approved prescription drug card?

You are allowed to own other non-Medicare discount drug cards in addition to your Medicare-approved prescription drug discount card, as long as the card is not issued by a Health Maintenance Organization (HMO). However, Medicare-approved discount drug cards may not be used on the same purchase as another drug discount card.

Question #9: What happens if I learn of a deal that seems too good to be true?

If an offer seems too good to be true, it probably is. You should never provide personal information to door-to-door salesmen or during unsolicited phone calls. There have already been some reported instances of fraud. Any fraudulent activity or questionable behavior should be reported immediately to local authorities and to the Centers for Medicare and Medicaid Services by telephone at 1-800-MEDICARE.

Medicare Prescription Drug Transitional Assistance Program:

Question #1: What is the Medicare prescription drug transitional assistance program?

Certain low-income Medicare beneficiaries will be eligible for additional subsidies to defray the cost of prescription drugs. The Guam Department of Public Health and Social Services (DPHSS) will administer the transitional assistance program using a lump sum Federal block grant.

Question #2: How do I qualify for transitional assistance?

To qualify for transitional assistance, you must be dually-eligible for Medicare and either Medicaid or Guam's Medically Indigent Program (MIP). Additionally, your income generally must fall below 135% of the Federal poverty level, which is the case with most Medicaid and MIP beneficiaries. In dollar figures, 135% of the Federal poverty level in 2004 would be approximately \$12,569 for a household of one (\$16,862 for couples), however you should check with DPHSS for the most up to date calculations. If you are already enrolled in Medicaid or the MIP, you will be automatically enrolled in the transitional assistance program.

Question #3: If I qualify for transitional assistance and am enrolled in a prescription drug cost-sharing agreement under MIP, will I still have to pay my portion of the cost-sharing arrangement?

Yes, you will only be eligible to receive transitional assistance after paying your portion of the MIP cost-sharing arrangement.

Question #4: If I am eligible to receive a Medicare-approved discount drug card, but am not currently enrolled in Medicaid or MIP, can I get transitional assistance?

If you are not currently enrolled in Medicaid or MIP and you are interested in applying for transitional assistance, you will be required to fill out Medicaid and MIP applications. If eligible for one of those two programs, you will automatically be enrolled in Medicare transitional assistance as long as your income falls below the maximum threshold. You may apply for transitional assistance by filling out an application at the Northern, Central or Southern Public Health Centers.

Question #5: What are the benefits of transitional assistance?

If you are eligible for Medicare transitional assistance, DPHSS will pay your enrollment fees for Medicare-approved prescription drug cards. DPHSS will also cover the cost of your prescription drugs, after the card discount and any applicable cost-sharing are applied. Funding will be applied for transitional assistance on a first-come-first-serve basis until funds are exhausted. DPHSS may choose to continue covering the application fees only for new applicants after funding is exhausted by utilizing Federal Medicaid funding.

Question #6: If I am enrolled in the Medicare transitional assistance program, how do I get the cost of my drugs covered?

You only need to present your Medicare-approved prescription drug card to a participating pharmacy. The drug costs will be deducted at the register. Guam DPHSS and Department of Administration are responsible for tracking purchases made with prescription drug cards and will make direct payments to pharmacies on behalf of beneficiaries enrolled in transitional assistance out of its Federal block grant.

Additional Assistance

If you have any questions with regard to Medicare-approved prescription drug cards, contact the Centers for Medicare and Medicaid Services at 1-800-MEDICARE. For questions regarding Medicare transitional assistance, contact DPHSS at 735-7102. As always, you are also welcome to contact my office for additional assistance at 477-4272.